

OVERVIEW OF BUDGET

DEPARTMENT: CHILD SUPPORT SERVICES
DIRECTOR: CORY NELSEN
BUDGET UNIT: AAA DCS

I. GENERAL PROGRAM STATEMENT

Title IV-D of the Federal Social Security Act, which was originally enacted in 1975, governs the County Child Support Enforcement Program. Federal regulations require that the program be administered at the state level by a single agency, which, in turn, may contract with counties to conduct the enforcement program. Federal financial participation consists of payment of 66% of program costs and payment of graduated incentives to states for meeting program objectives. The balance of allowable county expenditures is reimbursed by the state. Basic program activities include locating absent parents, establishment of paternity, establishment of support orders pursuant to state guidelines, enforcement of support obligations, modification of support obligations when needed, and collection and distribution of support payments.

II. BUDGET & WORKLOAD HISTORY

	Actual 2001-02	Budget 2002-03	Actual 2002-03	Budget 2003-04
Total Appropriation	31,995,423	40,798,946	38,845,942	39,889,326
Total Revenue	31,914,757	40,798,946	38,869,853	39,889,326
Local Cost	80,666	-	(23,911)	-
Budgeted Staffing		649.7		565.0
<u>Workload Indicators</u>				
Collections	\$123,250,485	\$141,130,000	\$129,977,528	\$135,000,000
Open Cases	166,987	151,000	162,785	160,000
Cases per Officer	732	583	733	842

Services and supplies expenditures were under budget by approximately \$0.9 million. This was due to one-time costs allocated for expenditures for the new office in Victorville that was expected to open during 2002-03. Some costs were not incurred in 2002-03 due to delays in securing building permits. They include communication/data equipment such as patch panels, digital phone instruments and infrastructure costs (such as T-1 lines) and Cisco switches and servers.

Salaries and benefits expenditures were under budget by approximately \$1.0 million. Prior to the end of the fiscal year, the department learned that 2003-04 funding would be reduced. As a result, DCSS instituted a hiring freeze and implemented measures for further staffing reductions.

The Child Support program is a state and federal reimbursement program and revenues received to reflect actual expenditures.

III. HIGHLIGHTS OF BOARD APPROVED CHANGES TO BUDGET (see attachments for detailed changes)

STAFFING CHANGES

Changes in budgeted staffing decreased by a net of 84.7 budgeted positions due to increased MOU-related costs, staffing reclassifications from 2001-02 per Board item #02-045 dated May 21, 2002, and an anticipated decrease in state funding for 2003-04.

CHILD SUPPORT SERVICES

Net reduction of 3.0 in budgeted staffing due to reclassifications:

- Reclassification from 1.0 Supervising Child Support Field Investigator, 2.0 Child Support Field Investigators, 5.0 Investigative Technicians and 3.0 Clerk IIIs to 11.0 Child Support Officer Is.
- Reclassification from 8.0 Clerk IIIs and 6.0 Clerk IIs to 14.0 Child Support Assistants; reclass from 3.0 Clerk IVs to 3.0 Staff Aides; reclass from 1.0 Clerk IVs and 1.0 Chief Clerk to 2.0 Secretary Is.

Of these reclassified positions, 2.0 Child Support Assistants and 1.0 Staff Aide were eliminated due to funding restrictions.

Net reduction of 147.0 in budgeted staffing for vacant positions being deleted due to elimination of the vacancy factor are: 12.0 Child Support Officer IIs, 10.0 Child Support Assistants, 33.0 Child Support Officer Is, and 26.0 Clerk IIs.

Net reduction of 66.0 in budgeted staffing for positions that are vacant and being eliminated are: 1.0 Supervising Child Support Officer, 5.0 Automated Systems Technicians, 1.0 Automated Systems Analyst, 1.0 Child Support Assistants, 1.0 Assistant Operations Manager, 1.0 Compliance Officer, 1.0 Operations Manager, 1.0 Media Specialist, 4.0 Staff Development Specialists, 1.0 Chief Clerk, 29.0 Clerk IIs, 2.0 Clerk IVs, 1.0 Executive Secretary, 3.0 Investigative Technicians, 4.0 Paralegals, 1.0 Fiscal Clerk II, 1.0 Clerk III, 39.0 Child Support Officer Is, and 33.0 Child Support Officer IIs.

One Deputy District Attorney IV position has been funded in 2003-04; this position was actually underfilled in June 2002 by a Child Support Attorney III.

Net reduction of 21.0 in budgeted staffing due to the deletion of all extra help positions. Ten Fiscal Clerk II positions and 11.0 Public Service Employees have been eliminated.

The vacancy factor of 118.0 has been eliminated.

PROGRAM CHANGES

Salaries and benefits are expected to increase due to MOU provisions and increased retirement contributions, even though budgeted positions have decreased by 84.7 positions. Given budget constraints, all overtime will be suspended effective July 1, 2003 and all vacant and extra help positions have been eliminated.

The state budget crisis has forced the department to reallocate and realign resources to salaries and benefits where it is needed most. In 2002-03 approximately \$2.1 million was allocated in services and supplies and fixed assets for one-time expenditures for a build-to-suit facility in the high desert near the Victorville courthouse. This allocation has been moved to fund projected increases in salaries and benefits for 2003-04.

Other major budget changes include COWCAP increases of \$76,052, as well as decreases totaling approximately \$100,000 in hardware and software expenditures, training, and other services and supplies categories. Temporary help was reduced by \$100,000 to \$0 for 2003-04. Effective 2002-03, the department suspended use of all temporary help services to ensure compliance with County policies. These expenditure reductions will assure a budget that is cost effective.

In addition to reductions in services and supplies, no fixed asset equipment purchases have been budgeted for 2003-04.

Interfund transfers out have increased overall by approximately \$495,651. These changes represent increases in EHAP costs (GASB 34 Accounting Change), HSS ITSD and Administration costs, and an expected increase of \$369,408 in lease costs due primarily to the new Victorville facility.

The Child Support Services program is 100% funded by state and federal reimbursement. Revenue has been reduced to reflect budgeted reductions in allocations.

CHILD SUPPORT SERVICES

GROUP: Human Services System
DEPARTMENT: Child Support Services
FUND: General AAA DCS

FUNCTION: Public Protection
ACTIVITY: Child Support

	2002-03 Actuals	2002-03 Approved Budget	2003-04 Board Approved Base Budget	2003-04 Board Approved Changes to Base Budget	2003-04 Final Budget
Appropriation					
Salaries and Benefits	27,727,973	28,712,774	29,591,380	(139,447)	29,451,933
Services and Supplies	7,914,415	8,536,938	6,817,463	114,461	6,931,924
Central Computer	481,047	481,047	361,631	-	361,631
Equipment	206,367	420,000	-	-	-
Other Charges	2,516,140	2,648,187	3,118,852	24,986	3,143,838
Total Appropriation	38,845,942	40,798,946	39,889,326	-	39,889,326
Revenue					
State, Fed or Gov't Aid	38,869,853	40,798,946	39,889,326	-	39,889,326
Total Revenue	38,869,853	40,798,946	39,889,326	-	39,889,326
Local Cost	(23,911)	-	-	-	-
Budgeted Staffing		649.7	649.7	(84.7)	565.0

Total Changes Included in Board Approved Base Budget

Salaries and Benefits	971,848 MOU.
	1,734,620 Retirement.
	55,927 Workers' Compensation.
	(1,883,789) Decreases ins taffing due to reduced funding.
	<u>878,606</u>
Services and Supplies	(1,682,623) Decreases due to elimination of one-time costs in 2002-03 for Victorville.
	(12,095) Risk Management Liabilities.
	(24,757) Other decreases.
	<u>(1,719,475)</u>
Central Computer	<u>(119,416)</u>
Equipment	<u>(420,000)</u> One-time costs in 2002-03 due to Victorville.
Transfers	470,665 Increase in transfers due to additional lease costs for Victorville, Rancho, Redlands Offices.
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Revenue	
State, Fed or Gov't Aid	<u>(909,620)</u> Decrease in revenue to match appropriations.
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Total Appropriation Change	(909,620)
Total Revenue Change	(909,620)
Total Local Cost Change	-
Total 2002-03 Appropriation	40,798,946
Total 2002-03 Revenue	40,798,946
Total 2002-03 Local Cost	-
Total Base Budget Appropriation	39,889,326
Total Base Budget Revenue	39,889,326
Total Base Budget Local Cost	-

CHILD SUPPORT SERVICES

Board Approved Changes to Base Budget		
Salaries & Benefits	<u>(139,447)</u>	Net decrease due to staffing reductions.
Services & Supplies	76,052	COWCAP increase.
	(189,832)	Decrease in hardware purchases for 2003-04.
	295,151	Increase of \$231,151 to professional services (15%) + \$64,000 estimated for case file process
	<u>(66,910)</u>	Net decreases in miscellaneous service and supplies categories.
	<u>114,461</u>	
Transfers	<u>24,986</u>	Net increase in ISF department costs.
Total Appropriation	<u>-</u>	
Total Revenue	<u>-</u>	
Local Cost	<u>-</u>	